

AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO THE CONVERSION OF RENTAL UNITS INTO CONDOMINIUM UNITS.

WHEREAS, there has been an increase in the conversion of rental units into condominium units in Kirkland, and

WHEREAS, existing rental units may not meet the standards of the Uniform Housing Code and the Uniform Fire Code as adopted by the City of Kirkland at the time of conversion, and

WHEREAS, prospective purchasers of condominium units may not have sufficient information to make an informed decision; and

WHEREAS, the unregulated conversion of rental units into condominium units can have detrimental effects upon the welfare of the residents of the City of Kirkland, and

WHEREAS, an Environmental Checklist was prepared and a Final Declaration of Non-Significance was made pursuant to the requirements of the State Environmental Policy Act (RCW 43.21c; WAC 197-10 and Kirkland Ordinance No. 2319). This Checklist and Declaration of Non-Significance were available to the City Council at the public hearing held on this issue, and the City Council considered this information in taking final action. Therefore,

THE CITY COUNCIL OF THE CITY OF KIRKLAND DO ORDAIN AS FOLLOWS:

Section 1. Purpose. The purpose of this ordinance is to establish requirements that will be applied to the conversion of rental units into condominium units.

Section 2. Applicability. This Ordinance applies to the conversion of a rental unit that --

- a. is occupied at the time a Declaration is filed or at any time during the 120 day notice period established by this Ordinance, and
- b. has not been offered for sale prior to the effective date of this Ordinance.

Section 3. Definitions. Unless a contrary meaning is clearly indicated from the context, the following definitions apply in this Ordinance:

Building means any existing structure or group of structures containing one or more dwelling units and operated under a single name.

Condominium means a building which is governed by the Horizontal Property Regimes Act (RCW 64.32).

Condominium unit means a single dwelling unit in a condominium.

Conversion means the change of rental units into condominium units resulting from the filing of a Declaration under the Horizontal Property Regimes Act.

Declaration means the document by which the building is subject to the provisions of the Horizontal Property Regimes Act (RCW 64.32).

Developer means any person who undertakes the conversion of rental units.

Dwelling unit means a single unit providing complete, independent living facilities for one or more persons and including permanent provisions for living, sleeping, eating, cooking and sanitation.

Good cause means the failure of a tenant to substantially comply with the duty to --

1. pay rent when due, or
2. keep the rental unit occupied as clean and sanitary as the conditions of the premises permit, or
3. properly dispose of all rubbish, garbage or waste in a clean and sanitary manner at reasonable and regular intervals, and assume all costs of extermination and fumigation for infestation caused by the tenant, or
4. properly use and operate all electrical, gas, heating, plumbing and other fixtures and appliances supplied by the landlord, or
5. not intentionally or negligently destroy, deface, damage, impair or remove any part of the structure or dwelling with the appurtenances thereto, including the facilities, equipment, fixtures, furniture, furnishings, and appliances; or permit any member of the family, invitee, licensee, or any person acting under the tenant's control to do so, or
6. not permit a nuisance or common waste, or
7. conform to all reasonable obligations or restrictions brought to the attention of the tenant as required by RCW 59.18.140 at least 30 days prior to the 120-day notice period.

Offer of sale to the public means any advertisement, inducement, solicitation, or attempt by a developer to encourage any person, other than a tenant, to purchase a condominium.

Person means any individual, corporation, partnership, association, trustee or other legal entity.

Rental unit means a dwelling unit occupied pursuant to a lease or rental agreement, written or oral, on or after the effective date of this ordinance, and for which there has not been a written commitment for purchase at a specific price and on specific terms.

Tenant means any person entitled to occupy a dwelling unit primarily for purposes of habitation under a lease or rental agreement, written or oral.

Unlawful practice means the violation of, failure to comply with, or attempt to avoid the application of this Ordinance.

Section 4. Notification Requirements.

- a. Notice of Declaration. A developer shall send a notice of the filing of a Declaration to the Kirkland Building Official by registered or certified mail, within five (5) days of the date of filing the Declaration.
- b. Notice of Intent to Sell, Tenants' Rights, Disclosure.
 1. A developer shall send to each tenant residing in a unit and to the Building Official, by registered or certified mail --
 - (a) a notice of his or her intention to sell the rental unit as a condominium unit, and
 - (b) a statement of tenants' rights defined by this Ordinance on a form to be provided by the Building Official, and
 - (c) a disclosure statement as required by Section 9.
 2. A developer shall send the notice and statements required by paragraph b.1. of this section as follows:
 - (a) To each tenant residing in a unit at the time notice of intent to sell is first sent, and to the Building Official --
 - i. 120 days before offer of sale to the public of any unit, or if earlier
 - ii. 120 days before notice of eviction for other than good cause.
 - (b) To each tenant who takes possession after notice of intent to sell has been first sent for that unit --
 - i. before any binding rental agreement is entered into:

Section 5. Relocation Assistance. The developer shall pay relocation assistance of \$350. per rental unit to any tenant to whom notice of intent to sell a particular unit is first sent, and who, after receiving notice of intent to sell, provides notice to vacate and vacates the building voluntarily, or receives notice to vacate for other than good cause and vacates the building.

Section 6. Right to Purchase. Each tenant of a building undergoing conversion to whom notice of intent to sell a particular unit is first sent has a first option to purchase the unit in which he or she is residing. The option period will commence upon receipt of the notice of intent to sell and will be valid for ninety (90) consecutive days.

Section 7. Interim Rent Control. Rent collected during the 120 day notice period cannot exceed a rate of 110 percent of the average monthly rate collected in the twelve (12) months prior to the notice of intent to sell required by Section 4.b.

Section 8. Inspection and Repair.

- a. Conversion Standards. Any building undergoing conversion must meet all applicable provisions of the following Uniform Codes as adopted by the City of Kirkland.
 1. the Uniform Fire Code, and
 2. the Uniform Housing Code, and
 3. the Uniform Building Code, Chapter 55 as amended (relates to Fire Alarm Systems).
- b. Duties of the Developer. The developer shall --
 1. arrange for access to all parts of the building and request an inspection by the Building Official and the Bureau of Fire Prevention of any building undergoing conversion, and
 2. correct all violations in a unit as noted in the inspection reports required by Paragraph c. of this Section at least seven (7) days prior to the close of sale of that unit, and
 3. correct all violations in the common areas as noted in the inspection reports required by Paragraph c. of this Section at least seven (7) days prior to the close of sale of the first unit.
 4. warrant all repairs and improvements made by the developer to each condominium unit for one (1) year from the close of sale of each unit, and
 5. warrant all repairs and improvements made by the developer to the common areas for one (1) year from the close of sale of the first unit.
 6. obtain a Certificate of Occupancy issued by the City of Kirkland for each unit at least seven (7) days prior to the close of sale of each unit.
 7. obtain a Certificate of Occupancy issued by the City of Kirkland for all common areas at least seven (7) days prior to close of sale of the first unit, and
 8. pay to the City the fee established by the Building Official for inspections and arbitration.
- c. Duties of City Departments. The Building Department and Bureau of Fire Prevention shall --
 1. conduct inspections of all buildings undergoing conversion, and
 2. issue inspection reports listing all violations of applicable codes discovered during the inspections, and
 3. conduct inspection of all repairs and improvements in accordance with all permits authorized, and
 4. issue a Certificate of Occupancy for each condominium unit and for the common area to the developer only upon satisfactory completion of all repairs and improvements, and
 5. establish a fee schedule for required inspections, and arbitration.

Section 9. Disclosure. A developer shall provide the following information to prospective purchasers at least seven (7) days before any purchase commitment is signed.:

- a. A copy of the inspection reports required by Section 8.c.2.

- b. A copy of all documents filed under the Horizontal Property Regimes Act (RCW 64.32).
- c. An itemization of the specific repairs and improvements made to the Building during the six (6) months preceding the Declaration.
- d. An itemization of specific repairs and improvements to be completed.

Section 10. Complaint. Any person who has been the object of an unlawful practice under this ordinance may file a complaint with the Building Official.

Section 11. Enforcement. The Building Official is authorized to conduct necessary investigations, and if there appears to be an unlawful practice, he or she shall undertake one or more of the following --

- a. attempt to conciliate the matter and to secure a written conciliation agreement, or
- b. initiate criminal prosecution proceedings.

Section 12. Penalty.

- a. Fine. A person who commits an unlawful practice under this Ordinance shall, upon conviction, be fined a sum not to exceed five hundred (\$500.) dollars for each offense. Each day's unlawful practice constitutes a separate offense.
- b. Remedial Action. Any binding agreement of sale entered into by a developer which results in an unlawful practice under this Ordinance is --
 1. Void, if the tenant was an object of the unlawful practice, or
 2. Voidable at the option of the purchaser, if the purchaser was the sole object of the unlawful practice.

Section 13. Private Right of Action. Any person who has been the object of an unlawful practice as defined in the Ordinance or any purchaser in a contract which may be avoided under this Ordinance may rely on the provisions of this Ordinance to institute civil proceedings against the developer to --

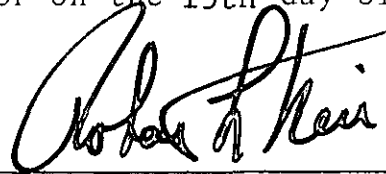
- a. secure compliance with the Ordinance, and
- b. recover any expenses, including attorney's fees, reasonably incurred.

Section 14. Severability. If any section, subsection, sentence, clause, phrase, part or portion of this Ordinance is for any reason held to be invalid or unconstitutional by any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance.

Section 15. Effective Date. This Ordinance shall be in force and take effect five (5) days from and after its passage by the City Council and publication as required by law.

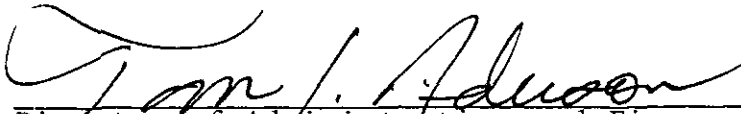
PASSED by the Kirkland City Council in regular meeting on the 15th day of January , 1979.

SIGNED IN AUTHENTICATION THEREOF on the 15th day of January 1979.



Mayor

ATTEST:



Director of Administration and Finance
(ex officio City Clerk)

APPROVED AS TO FORM:



City Attorney